U.B.C. Planning Papers

School of Community and Regional Planning

University of British Columbia
Vancouver, British Columbia

91-02619/

ISSN: 0828-2412

Interest Groups: Understanding Their Role in Public Planning Processes in Canada

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DP #23
February 1991

UBC PLANNING PAPERS
Discussion Paper #23

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1. INTRODUCTION

Empirical research on planning is increasingly focusing on what planners do and how they perform their jobs (Dalton 1989), and this work is an important component of building a theory of planning that describes how public planning processes work. Existing studies have already greatly expanded our understanding of what it is that planners actually do, and consequently planning is now widely recognized as an activity that combines technical analysis, communicative activities such as negotiation and social learning, consciousness, and judgement (Forester 1989; Dalton 1989; Hoch 1984).

The conscious and judgemental aspects of planning practice are related to concepts of procedural and substantive rationality that are cornerstones of planning theory (Friedmann 1973; Faludi 1973).[1] They are also related to the notion that the public planning process protects and promotes the public interest, which suggests that the public planner possesses some special knowledge of the public interest (Altshuler 1965, 299). However, planners have become increasingly frustrated in their roles as they struggle to respond to this claim of special knowledge of the public interest (or some kind of critico-ethical component to their competencies) (Fagence 1977; Lim 1986; Howe 1980).

Friedmann (1988), responding to the disabuse the notion of the public interest has received, recently argued that, assuming a 'public domain'[2] exists,

> the common good cannot be assumed a priori, nor can it be determined by research. It is not a given. The public good is a notion of process; *it emerges in the course of planning itself, and its concrete meaning is constantly evolving*. (p. 128, emphasis added).

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[1] Procedural rationality is concerned with the matching of means to ends, and includes the appropriateness of the process used to choose the means, and the appropriateness of the means themselves. Substantive rationality relates to the appropriateness of the ends themselves. Both substantive and procedural rationality are grounded in the shared political and cultural norms of a particular society.

[2] To paraphrase Friedmann, a public domain is defined as a territorially organized society whose members have a sense of citizenship and a legitimate voice. This presupposes a society that has democratic freedoms and rights, a common past and cultural predispositions, cherished institutions, and a legitimate authority. These elements provide the necessary basis for reaching a shared understanding of what, in particular instances, may be called the common good.

Friedmann goes on to suggest that in each public planning process there are likely to be many players, and each player may bring along planners that will see the world from their own (or their client's) perspective. A public planner thus

> moves in a field of rapidly shifting forces that reflects the fluid power positions (and different configurations) of the players in the game. The public interest, or the common good, is an emergent. It is that toward which the game, or process, is oriented, which gives it meaning, and which makes it, indeed, the central process of a democratic polity.

This formulation, of course, presupposes that all the interested players are allowed to play. And this, we know, is not typically the case. A good part of what we call planning has therefore to do with people's struggle for collective self-empowerment and participation. (Friedmann 1988, 129-130).

These ideas about the nature of the public planning process, the emergent definition of the public interest, and the role of the public planner suggest that theories that improve planners' understanding of the dynamics of the planning process should help us in our efforts to build a theory of planning. To this end, this paper investigates the potential contribution of interest group theory. In the process of defining the common good with respect to a particular issue, different interest groups will attempt to influence this definition so that it is favourable to their membership. A planner that is familiar with interest group theory may be more conscious and better prepared to judge, and perhaps counter where necessary, the influence of these interest groups on the process.

Before analyzing theories of how interest groups influence public planning processes, some basic characteristics of interest groups are reviewed. Then the processes leading to group formation are reviewed, followed by an analysis of how groups exercise power and influence. The paper will then discuss these theories in light of the Canadian public planning environment, and draw out some implications for Canadian planners.

It would be wrong to suggest the process of public planning is only affected by interest groups. Doern and Phidd (1983) argued that ideas and beliefs, institutions, and processes interact in shaping public planning processes and the definition of the public interest that the resulting plans embody.[3] In addition, environmental factors can be of critical importance

[3] This is similar to Friedmann's argument that the characteristics of the public domain are important requirements for, and determinants of, the public planning process.

(Doern and Phidd 1983; Simeon 1976). For example, an understanding of Canada's present public planning environment requires familiarity with the historical and cultural roots of the country. Canadian culture owes much to an explicit rejection of the liberal principles of its southern neighbour. Canadians have always adhered to strong collectivist norms and a belief in 'good government', whether of the Tory organic community variety or of a later social democratic kind (Horowitz 1969). The country's political institutions reflect this - a Cabinet-Parliamentary system of government is a more centralized and powerful form than the American's division of powers and responsibilities among three branches of government. Canadian collectivism is also reflected in the strong role of the state in the economy. Throughout history, the Canadian state has intervened to encourage economic development, and to ameliorate the more unpleasant side-effects of a capitalist economy. These brief examples do not adequately describe the Canadian public planning environment, but provide an indication of the importance of these factors in setting the stage for the public planning process. As much of the interest group theory reviewed in this paper originates in American literature, caution must be used in applying these theories to the Canadian system of public planning because the planning environments of the two countries are distinctly different. We will return to this theme at the end of this paper.

2. INTEREST GROUPS

Public planning discriminates among interests in society, often promoting or protecting certain interests at the expense of others. Interests, however, are not the same as interest groups. Interests in society include institutions, corporations, nations, sectors, and even ideas. In contrast, interest groups are organized associations which attempt to influence the public planning process to gain benefits for their members (Pross 1975, 2).[4] Some interests are represented by interest groups, others are not. This section describes some of the major functions and characteristics of interest groups in North America.

Interest groups perform a number of functions for their members. Some of the most important are the political functions. Interest groups are a communication link. They aggregate the opinions of their members and present them to the state and the public, using

[4] According to this definition, politicians and bureaucrats are not interest groups although they would fall under the more general category of interests. Theoretical perspectives on the role of these, and other, actors in the public planning process must be gained from other bodies of literature. For example, there is a substantial literature on the behaviour of bureaucrats and bureaucracies (Downs 1966, Niskanen 1971, Breton 1974, Breton and Wintrobe 1982).

methods ranging from informal activities like 'drinks at the club' to formal presentations of technical briefs. Interest groups also help to disseminate and interpret state policies to their members. In addition, interest groups may assist the state by expanding the range of information available to the state for planning and management. For example, interest group involvement in policy development allows the state to 'test' potential policies with those groups most likely to be affected. Finally, interest groups frequently act as agents of government by undertaking activities which would normally be a function of the state, such as licensing and regulating their members. Interest groups provide other important, non-political, benefits to their members. Certain groups provide professional development or continuing education courses, while others provide professional journals or low cost insurance. These non-political services can often be vital to maintaining organizational memberships.

Interest groups carry out these functions in vastly different ways and with varying levels of effectiveness.[5] While numerous factors could cause this variation in effectiveness, theorists have suggests that access and legitimacy are the most important. The amount of access a group has to the political system and thus to the public planning process is determined structurally by the degree of centralization or decentralization in the political system. A centralized parliamentary system such as Canada's will have fewer points of access than the US system where decision-making power is more decentralized, not only among the executive, legislative, and judicial branches of government, but also to committee-level activities.[6] A strictly institutional analysis might conclude interest groups are more important in the public planning process in the US than in Canada. However if the influence of ideas and beliefs is added to the analysis, the importance of institutional access is tempered by other factors. For example, Canadians' belief in consultation and consensus suggests that interest groups could have a large and very influential role in the planning process. It is difficult to observe this because Canadian policy and planning consultations are largely conducted out of the public eye, but observation difficulties do not preclude the activity's existence (Thompson and Stanbury 1979).

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[5] Actual lobbying techniques will not be discussed here. For a discussion of various techniques see Jackson et al. (1986), and Gillies (1979).

[6] Trudeau made some changes to the Canadian governmental system in the early 1970s which might have increased the number of potential access points for interest groups. For example, the role of committees was increased, involving both government and opposition members of the house (Aucoin 1975).

A group's legitimacy, or how its values, goals and tactics compare to what is culturally acceptable, may also affect a group's success in influencing the public planning process (Jackson et al. 1986; Pross 1975). For example, in Canada, whether a group 'plays by the rules' may determine the access it obtains or maintains. Gillies (1979) argued many Canadian business executives face a dilemma when, having failed to win their point in the consultation process, they must choose between turning to alternative techniques for reintroducing the issue (not playing by the rules), or accepting a loss on the current issue to maintain a good relationship with planners and politicians.

Pross (1975) disagreed that access and legitimacy are *necessary* ingredients for group success, and suggested the importance of these factors will vary by group type. He argued there is a continuum of group types ranging from issue-oriented groups at one extreme to institutional groups at the other. The major characteristics of institutional groups are; organizational continuity and cohesion, extensive knowledge of and communication with relevant branches of government, a stable membership, concrete, pragmatic, operational goals, and a strong commitment to maintaining the organization. Issue-oriented groups have the opposite characteristics. With this typology, one might conclude that institutional groups will be more likely to have legitimacy and access, and that, combined with their strong organizational backing, these groups are more likely to successfully influence the public planning process.[7] However, countering this conclusion, Pross argued that considerations which often render institutional groups powerless, such as maintenance of legitimacy or organizational continuity, do not prevent issue-oriented groups from acting and having a significant influence (Pross 1975). Also, issue-oriented groups are often tackling a topic popular with the public and so receive more immediate attention from politicians and the media than an institutional group does.

Numerous interest groups are involved in public planning processes in Canada, and they are an important component of the process. However, their presence and involvement does not mean that their priorities should determine the definition of the public interest that emerges during the planning process. This could lead to an inappropriate definition of the common good, i.e. a bias in the substantive rationality of the definition. For example, citizen groups rarely enter the debates over natural resource royalty or taxation issues, even though citizens

[7] For example, Thompson and Stanbury (1979) concluded that "Legitimate, wealthy, coherent interests having multiple sources of access to the legislative process would tend to be much more influential than less legitimate, poor, diffuse interests having few sources of access to the legislative process." (p. 48).

are the collective owners of resources in Canada. These public planning issues are dominated by interest groups representing the natural resource companies, who attempt to ensure that their particular interests are not damaged by policy changes. We now turn to explanations of why certain interests become represented by groups in the public planning process, and others do not.

3. THEORIES OF INTEREST GROUP FORMATION

One theory of interest group formation views groups as a natural occurrence in any democratic society, where individuals with a common interest naturally form a group to pursue that interest. Called the 'group' theory, it implies that the constellation of interest groups participating in a public planning process would represent all the interests that could be affected by the plan. The interest groups would all actively participate in the process, attempting to influence the definition of the common good embodied in the plan.

The 'group' theory emerged from observations of American politics during the first half of the 20th century. As one observer aptly commented,

> In no country in the world has the principle of association been more successfully used, or applied to a greater multitude of objects, than in America ... Societies are formed to resist evils which are exclusively of a moral nature, such as to diminish the vice of intemperance. In the United States, associations are established to promote the public safety, commerce, industry, morality, and religion ... Whenever at the head of some new undertaking you see government in France, or a man of rank in England, in the United States you will be sure to find an association. (de Tocqueville in Hrebenar and Scott 1982, 6).[8]

Groups were viewed as rational, and in fact natural, components of democratic society by American political scientists. David Truman argued that "we do not, in fact, find individuals

[8] de Tocqueville's comments are useful because they emphasize the uniqueness of US society, a uniqueness related to the founding principles of liberalism upon which that society is based. This reminds us once again that application of these theories to other societies is not to be made uncritically. The lack of strong ideological or class division in US society, the decline of regional loyalties, the gradual weakening of political parties, and the relatively decentralized governmental structure are all considered to contribute to the predominance of interest groups in American society (Wilson 1981, 3). Additionally, Americans may be more willing to join groups than people in other societies, and to use these groups as a means of political participation (Almond and Verba 1963).

other than in groups; complete isolation in space and time is so rare as to be an almost hypothetical situation." (Truman 1950, 48).

Based on the prevalence of interest groups in the US, theories developed that placed them at the heart of the public planning process. The group theory of political behaviour, put forward by Bentley (1910) and refined by Truman (1950), posits that if everyone in a group of individuals has some interest in common, there is a tendency for the group to seek to further this interest. It is rational that these individuals band together to promote their common interests.[9] Over time the number of interest groups grows as a consequence of the increasing complexity and specialization in society. Occasionally, rapid growth in the number of interest groups occurs in response to major events, such as the advent of railroads or war, which redefine old interests and create new ones.

In contrast, the 'rational actor' theory of group formation suggests it is not natural for many groups, particularly large ones, to form, particularly if the goods they provide are collective goods (Olson 1966).[10] According to this theory, an individual will join a group if the expected value of the benefits that the individual will receive from the group's actions exceed the expected value of the costs to that individual. This suggests that the groups most likely to form are those that promise large benefits for little cost, and which can restrict the benefits to members of the group. Collective goods, such as clean air, cannot be restricted to members of a particular group, and so an individual who shares the same interests as the group will benefit from the group's actions whether she/he joins the group or not. Thus, there is no incentive to join. In fact, an individual would be irrational to join; the non-joiner, or 'free rider', gains the benefits of the group's activities at no cost.

The rational actor theory suggests that there are many potential or latent groups in society which do not form because of the free rider phenomenon. This barrier is more significant in large groups where potential benefits per member are less than in smaller groups. An

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[9] Theories that view groups as extensions of class relations (Panitch 1977) may be a special case of 'group theory'. According to this perspective, all groups are engaged in class struggle over the distribution of power and wealth in society, and are representative of the interests of either capital or labour. Thus groups are composed of owners of capital or workers, and the group's goals are those of the class to which it belongs. More sophisticated class-based analyses no longer assert that capital or labour classes are monolithic entities with overriding sets of mutually exclusive interests. These analyses posit the existence of competing factions within each class. However, the major premise appears to be that individuals will naturally band together to promote their common interests.

[10] Olson argued that, almost by definition, all interest groups are providing a collective or public good because they rarely succeed in organizing all individuals with similar interests. Thus the benefits of actions taken by the group will accrue to individuals or organizations outside the group.

individual who joins a large group stands to gain little for her/his efforts. Potential groups faced with the free rider problem may overcome it by providing selective incentives to members. Selective incentives can be positive reinforcements for members, or negative consequences for non-members. Olson concentrated on material rewards such as travel discounts, but non-material benefits may also act as selective incentives in group formation and maintenance.

Salisbury expanded the rational actor theory by differentiating between the motivations of group leaders and members (Salisbury 1969). His entrepreneurial theory suggests that some groups arise because of the actions taken by an entrepreneur who perceives an opportunity for establishing a new group. The entrepreneur supplies the initiative for organization, and the products which attract people to the organization. These products may be classified as material, purposive, or solidary benefits. Material products can usually be evaluated in monetary terms and include such things as tariff protection and special discounts. Purposive benefits are usually associated with the promotion of certain ideas, such as anti-nuclear sentiments or free choice on abortion. Solidary benefits are defined as the satisfaction derived from associating with others who hold similar positions to your own.

Salisbury based his entrepreneurial theory on exchange theory which suggests a relationship will be maintained as long as both participants believe they are gaining something from it. The entrepreneur or group organizer offers potential members a package of benefits in exchange for annual dues. As a basis for group formation and participation in the public planning process, this practice may result in groups composed of 'armchair' or 'checkbook' members, whose goals and aspirations are not reflected in the initiatives undertaken by the group's leadership (Hayes 1983).

The group and rational actor theories of group formation are based on fundamentally different assumptions about what motivates individuals to join groups as a means of participating in the public planning process. The group theory assumes that individuals are naturally inclined to join together to promote their common interests, and that these interests encompass particular and collective issues. One would expect to find that individuals belong to a number of groups, each of which focuses on a different interest or issue. The resulting set of interest groups in society will thus cover the spectrum of potential interests in that society, ranging from very specific and particular interests which may provide substantial gains to individual members, to broader, collective interests that do not appear to promise or yield substantial gains for individual members. The group theory implies that if groups do not form and

participate in the public planning process, the potential groups members must be satisfied with the status quo, and/or willing to accept any changes that emerge from the process.

In contrast, the rational actor theory assumes that individuals are motivated by self-interest. The existence of organizations that provide collective goods is explained by incentive packages and mutually satisfying exchanges. The rational actor theory does not assume that groups not represented in the public planning process are content. Rather, this theory suggests that these groups have been unable to overcome the free rider problem even though the potential members may be significantly affected by the outcome of the public planning process.

Group formation and effectiveness are related to the nature of the political system. In the next section, we review two types of political systems and, for each, discuss the role of interest groups in shaping the definition of the public interest that emerges from the planning process.

4. THEORIES OF INTEREST GROUP INFLUENCE

Theories of the role of interest groups in the public planning process might be described as ranging on a continuum from pluralism at one pole to elitism at the other. For brevity's sake, the following discussion will be restricted to these two poles, and we shall see that they are based on very different notions of how the public interest is defined, and on what the role of the state is in the public planning process.

4.1 Pluralism

Pluralist models portray the public planning process as a political marketplace in which competition and mutual adjustment among various interest groups allocates resources over the long term in such a way that the well-being of the people is maximized (Breton 1985). These models are based in liberal social theory which espouses the pre-eminence of the individual's rights in society and the necessity of equality of opportunity for all individuals to ensure optimal outcomes.

Proponents and critics argue that for pluralism to work, the political marketplace must meet the criteria of a well-structured and efficiently functioning market (Presthus 1973). The major

criteria of a competitive economic market are; competition among buyers and sellers (no oligopolies or monopolies), perfect information, no intangibles, no externalities, and no transaction costs. Economic markets 'fail' or are distorted when these conditions are not met. For political markets to be competitive and thus yield plans that promote the public interest rather than favouring particular interests, five important conditions must be satisfied (Presthus 1973). First, power must be diffuse in the system.[11] Second, all interests must be represented in the process. Third, interest group leaders must accurately reflect the goals and aspirations of their group's members. Fourth, individuals must possess a multiplicity of overlapping memberships so that narrow self-interests are tempered. Fifth, the political marketplace must have multiple points of access (therefore equality of opportunity) and a government that is open and receptive to all interests (Presthus 1973).

In pluralism, the public interest is more than the arithmetic sum of various group interests because the process works by mutual adjustment and relies on overlapping memberships to temper narrow self-interest. Pluralist theory suggests that some groups are willing to sacrifice at least part of their interests to reach agreement with other groups. The state is a referee, arbitrator, or facilitator of the process of mutual adjustment among competing interests. Beyond that, the state has no 'interest' of its own.

One of the most famous studies supporting the existence of pluralism in the US was Robert Dahl's *Who Governs?* (1961). The public planning process in New Haven, Connecticut was the testing ground for the thesis that power was widely diffused in the community. Dahl studied three policy areas and found that different groups participated in each, and that power was not concentrated in the hands of any particular individual or group. Dahl concluded that power transcended economic and social class boundaries as it shifted among groups depending on the issue.[12]

Numerous criticisms have been directed at Dahl's conclusions. One group of critics argues that power cannot possibly be diffused when the resources at the disposal of different groups vary so dramatically. If resources are an important determinant of a group's influence on the

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[11] Pluralist theory suggests that no group or collection of groups may maintain a power advantage in the process because countervailing centres of power will arise. If these countervailing centres do not arise, there is a failure in the political marketplace and the emergent public interest may be biased.

[12] Dahl's methodology has been criticized because, it is argued, he chose policy areas which were most likely to support his thesis. The policy areas were political party nominations, urban redevelopment, and public education.

public planning process, power is not diffuse but in the hands of those with the most resources (Schattschneider 1960). In addition, theorists have argued that those groups with the most resources are also those that are perceived most positively by society, which reinforces their legitimacy and power in the process (Schattschneider 1960). Lindblom (1977) argued that the outcomes of political markets in western nations are constrained because maintenance of the market economy is an unstated but overriding goal of government. Lindblom argued that this elevates business interests to a privileged position in the political marketplace.

> In the eyes of the government officials, therefore, businessmen do not appear simply as representatives of a special interest, as representatives of interest groups do, they appear as functionaries performing functions that government officials regard as indispensable. When a government official asks himself whether business needs a tax deduction he knows that he is asking a question about the welfare of the whole society and not simply about a favour to that segment of that population which is what is typically at stake when he asks himself should he respond to an interest group (Lindblom 1977).

Another group of critics argue that concentrating on policy outcomes as a manifestation of political power ignores the importance of non-decisions. Bachrach and Baratz (1962) argued that there is a second face of power which determines which issues are put on the agenda. Many issues important to groups without political power are never discussed. Lukes (1974) extended this idea by using the Marxist concept of false consciousness. He argued certain sectors of society control how people perceive their own interests, which allows the powerful groups to prevent any effective challenge of their interests.

The critics of pluralism are arguing that 'the pluralist choir (sings) with an upper class accent' (Schattschneider 1960). Disadvantaged groups are underrepresented because of inadequate resources and structural biases. Society's general interests may be neglected because groups may not form and defend these interests in the planning process. Thus, the public interest that emerges in public planning processes based on pluralist notions is biased. The state perpetuates these biases if it does not take action to remedy the failures in the political marketplace. Suggested remedies include providing advocates and funding for underrepresented interests and initiating educational efforts to improve society's perceptions of general interests.

4.2 Elitism

Elitist models portray the public planning process as one in which recognized leaders are trusted and duty-bound to make decisions that are in the public interest. The authority of elites is based in tradition, underpinned by the concept of noblesse oblige, and reinforced by their disproportionate share of political resources such as legitimacy, expertise, continuity, and access. Elitist models are based in conservative socio-political theory which emphasizes maintenance of valued and proven tradition which often includes an organic, paternal view of society where the community cares for those who cannot care for themselves. Tradition, consensus and cooperation are the major coordinating mechanisms in a conservative society.

Elitist models suggest that public planning decisions are made by a small group of closely knit individuals or groups that are at the top of a hierarchically structured society. Usually, elitist models are applied to analyses of national planning,[13] but generalizations have been made to include all groups in all societies at all times (Forcese 1978). Members of the elite are found at the helm of society's major institutions, such as the state and large corporations. They generally share similar socio-economic backgrounds, and common perceptions of their interests and the public interest. Frequent face-to-face contact reinforces their shared normative consensus. The non-elite, or masses, engage in limited participation in public planning, and generally only form groups with similar values to the elite, thus preventing potential conflict.

The nature of the public interest is closely associated with the perceptions and interests of the elite. The elite's perceptions are not unchanging; they are influenced by ideas, institutions, and new elite members. However the elite is assumed to be the best judge of the public interest. The role of the state is to enact decisions made by the elite, and to maintain peace and order in society. Benign conceptions of elitism assume the elite would never decide on actions which go against the public interest and so require the state to act against the elite. More critical views of elitism allow for this possibility, and so are suggestive of conflict between the elite and the state.

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[13] As societies become more complex the elites are forced to restrict the scope of their decision-making realm. Decision-making power is delegated, usually to the administrative or bureaucratic support staff. This provides opportunity for participation and influence of policy by interest groups not in the elite, and potentially allows an element of pluralism to enter the public planning process.

C.W. Mills's *The Power Elite* (1956) was one of the early studies of American society from this perspective. He focused on the state, the military, and corporations as the dominant institutions in American society, and concentrated on those individuals who were in positions to make decisions that had major consequences. Mills concluded that there definitely was a power elite in American society that made decisions on issues of national importance, and that the elite's existence and power was facilitated by the institutionalized centralization of decision-making power in these policy areas.

One criticism of Mills' study is that political power is not necessarily directly related to wealth and position, and that those groups who want access to the system can gain it. For example, Pross (1975) has argued that issue-oriented interest groups can have a significant influence on the public planning process. These groups are not necessarily well-financed, or connected to the elite, and yet they can be very successful in directing public attention to specific issues. This suggests that, on many issues, the public planning process is not closed, nor is it unresponsive to democratic control through election of new political representatives. Mills implicitly recognized this, as he argued that pluralism was the dominant form of public planning for decisions of non-national importance.

Critics of elitism argue that the public interest is not represented by those who make major decisions in society. Critics argue that the elite are motivated by their own self-interests or their class interests rather than paternal or noblesse oblige considerations. Change can never be democratically precipitated because of the elite group's stranglehold on decision-making power. Groups outside the elite are forced to adopt radical measures to initiate even small changes in the status quo. Thus, elitism is perceived as unsustainable because it inevitably requires an increasing use of coercion to maintain the system (Etzioni-Halevy 1983).

5. SUMMARY

The two theories of group formation reviewed here are premised on fundamentally different assumptions regarding what motivates individuals to join groups as a mechanism for participating in the public planning process. The group theory suggests all interests with a stake in the process will organize and be represented. The rational actor theory suggests that many groups are prevented from forming because the benefits are collective goods and will be obtained by an individual whether she/he joins the group or not.

Theories of interest group power and influence in the public planning process form a continuum between pluralism and elitism. Pluralism is based on liberal conceptions of individualism and equality of opportunity in the political marketplace. Competition among equal interests is the invisible force guiding the interactions into outcomes that are in the public interest. Power is diffuse and coalesces into different patterns of alliance as issues change, removing the possibility of one group remaining powerful in the long run. Critics of pluralism argue many groups do not participate in the process either because they do not have the resources to do so, they are incapable of overcoming formation barriers, or they cannot overcome the systemic bias against them.

Elitism, in contrast, is based in conservative notions in which the ruling elite is a cohesive group which knows its own and society's collective interest. Emphasis is placed on tradition and stability, the organic whole, and noblesse oblige as the major balancing forces in society. Those who have made good decisions in the past are trusted and obliged to make them in the future. Power is concentrated in the hands of those who best know how to use it for the benefit of all. The critics of elitism normatively reject its anti-democratic aspects and argue it eventually leads to mass alienation.

The theories of interest group influence on the public planning process have important implications for how the public interest is defined and what the role of the state is in society. Pluralist theories argue the public interest is greater than the sum of individual or group interests. The state's role is to ensure an agreement is reached among the competing interests. The state can be a referee, arbitrator, or facilitator, but it has no interests of its own. Elitist theories suggest the public interest is well represented by the actions of the elite, who are aware of the responsibilities of their position. The state's role is to maintain peace and order in society, and to act on the elite's decisions. The criticisms of pluralism and elitism suggest each has systematic distortions of the public interest in favour of those groups that have the most political and economic resources.

6.0 THE CANADIAN SETTING

There are substantial differences between the Canadian and American public planning environment, and American-based interest group theories must be applied carefully to analyses of Canadian public planning processes. Adjustments must be made to account for environmental, ideological, and institutional differences which influence the role of interest groups in the public planning process. In this section, some of these factors will be discussed.

In Canada there is a tendency to accept the idea that certain groups in society are more powerful.[14] The Empire Loyalists who came to Canada after the American Revolution brought a class concept of life with them, which was reinforced by successive waves of British immigration. For many years Canada was governed by the Family Compact, an elite group (Presthus 1973). Today, concentration of economic power is a common characteristic of many Canadian sectors, including transportation, banking, and natural resource industries. Concentration of political power is obvious in the Cabinet-Parliamentary system of government and the strict enforcement of party discipline.

The concentration of political power in the Canadian governmental system makes it a poorer fit to the ideal of a perfectly competitive market than the US system.[15] Concentration of decision-making power in Cabinet contradicts the requirements of many sellers in the marketplace. Additionally the process of public planning in Canada, particularly policy formation at the provincial and national levels, differs substantially from that in the US (Thompson and Stanbury 1979). In Canada the pre- and post-parliamentary stages are most important. Policy ideas are initiated, pre-tested, and comprehensively evaluated before they go to parliament for partisan debate. The bureaucracy's role in this phase is very important and many interest groups place a high priority on access to upper-level bureaucrats. The pre-parliamentary phase is highly secretive; an interest group that is involved obtains highly valuable information that other groups do not have. This violates the perfect information and equality of opportunity conditions of perfectly competitive markets. In the post-parliamentary phase, legislation must be enacted to be effective, and again the discretion of Cabinet and bureaucrats is high and access is restricted.

Presthus (1973) argued that Canada's public planning process is best described by the theory of elite accommodation. The Canadian elite is not a unitary group with a common socio-economic background. Instead, the religious and ethnic differences in Canada are reflected in the various groups that make up Canada's elite. Presthus argued that these groups tend to have a normative consensus on the necessity of maintaining a stable democracy in Canada, and thus they take it upon themselves to 'save the nation' via a sustained negotiation process.

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[14] See Horowitz (1959) for a discussion on this point.

[15] This brief discussion does not completely review the differences between the US and Canadian systems and the important ways in which the Canadian system deviates from the conditions of a competitive political market. For more thorough analyses, see Thompson and Stanbury (1979), Pross (1975), Doern and Phidd (1983), and Anderson (1983).

These negotiations are carried out at the highest political levels, and involve legislators, bureaucrats, and interest groups leaders. However, when less important issues (allegedly) are the focus of the public planning process, Presthus argued that the system of elite accommodation is not benign, i.e. it does not necessarily produce decisions that are in the public interest. For example, resource allocation planning processes may be dominated by competition among the elite groups. Significant challenges to the criteria guiding allocation may arise, and with no overarching priorities the outcomes are likely to be *ad hoc*, incremental and uncoordinated policies with a short term orientation. These policies, almost by definition, tend to maintain the status quo.

Over the last twenty years, the Canadian system appears to be shifting away from the consensual, elite-dominated decision-making processes of the 1950s and 1960s. During that period, the public interest tended to be tacitly known and accepted, and thus value trade-offs were a minor component of the planning process. Due to this perceived consensus, planning issues tended to be defined in technical terms. However, during the 1970s, the growing popularity of concepts like environmentalism and entitlement decreased the influence of the private sector elite on the determination of the public interest, and forced many business interests to organize into formal groups (Gillies 1979, 135). Gillies argued that this marked the beginning of a shift in Canada towards a more pluralistic public planning process with a larger number and wider range of interest groups participating in the process and thus influencing the emergent definition of the public interest. As the role of interest groups in public planning has changed, so has the state's role. No longer does the state appear as the executive arm of the elite; it increasingly represents the competition among interests in society. As Mahon (1977) points out, this may still be largely unequal competition, but it is competition. Gillies (1979) and (Thompson and Stanbury 1979) argued that the shift towards pluralism would be reinforced and encouraged by institutional reforms that would open up more access points for interest groups. However, the free rider problem still remains, and this may have a very important influence on the definition of the public interest that emerges from Canadian public planning process in the years to come.

Canadian planners may glean important insights from the theoretical perspectives and observations reviewed in this paper, insights which may help them in their struggle to understand the dynamics of planning processes and their influence on the emergent definition of the public interest. Some of the insights are:

1) If Canada continues to shift towards pluralism in the public planning process, a shared normative concensus can no longer be assumed but must be achieved within the

planning process. Planning questions will no longer be restricted to technical issues as value trade-offs will become an increasingly important part of the planning process. The definition of the public interest may be increasingly influenced by the activities of interest groups, and this definition may be biased by those with the most resources. Planners, in order to do good and be right (Hoch 1984) must do their best to ensure all interests are considered and/or represented in the planning process.

2) Planners working for governments may expect their expertise and power to be increasingly challenged in the future, as more groups become involved in the public planning process.

3) Planners might expect that interest groups will lobby for increased access to the public planning process during the early phases of problem formulation and alternative generation, as well as during the implementation and monitoring phase.

4) Planners may need to become more capable of discussing values within the public planning process, and defending decisions and plans in terms of how well they address value, as well as technical, concerns.

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